

AN ACT concerning conveyances.

Be it enacted by the People of the State of Illinois,
represented in the General Assembly:

Section 5. The Department of Central Management Services
Law of the Civil Administrative Code of Illinois is amended
by changing Section 405-315 as follows:

(20 ILCS 405/405-315) (was 20 ILCS 405/67.24)

Sec. 405-315. Management of State buildings; security
force; fees.

(a) To manage, operate, maintain, and preserve from
waste the State buildings listed below. The Department may
rent portions of these and other State buildings when in the
judgment of the Director those leases or subleases will be in
the best interests of the State. The leases or subleases
shall not exceed 5 years unless a greater term is
specifically authorized.

- a. Peoria Regional Office Building
5415 North University
Peoria, Illinois 61614
- b. Springfield Regional Office Building
4500 South 6th Street
Springfield, Illinois 62703
- c. Champaign Regional Office Building
2125 South 1st Street
Champaign, Illinois 61820
- d. Illinois State Armory Building
124 East Adams
Springfield, Illinois 62706
- e. Marion Regional Office Building
2209 West Main Street
Marion, Illinois 62959

- f. Kenneth Hall Regional State Office
Building
#10 Collinsville Avenue
East St. Louis, Illinois 62201
- g. Rockford Regional Office Building
4402 North Main Street
P.O. Box 915
Rockford, Illinois 61105
- h. State of Illinois Building
160 North LaSalle
Chicago, Illinois 60601
- i. Office and Laboratory Building
2121 West Taylor Street
Chicago, Illinois 60602
- j. Central Computer Facility
201 West Adams
Springfield, Illinois 62706
- k. Elgin Office Building
595 South State Street
Elgin, Illinois 60120
- l. James R. Thompson Center
Bounded by Lake, Clark, Randolph and
LaSalle Streets
Chicago, Illinois
- m. The following buildings located within the Chicago
Medical Center District:
 - 1. Lawndale Day Care Center
2929 West 19th Street
 - 2. Edwards Center
2020 Roosevelt Road
 - 3. Illinois Center for
Rehabilitation and Education
1950 West Roosevelt Road and 1151 South Wood Street
 - 4. Department of Children and

Family Services District Office

1026 South Damen

5. The William Heally School

1731 West Taylor

6. Administrative Office Building

1100 South Paulina Street

7. Metro Children and Adolescents Center

1601 West Taylor Street

n. E.J. "Zeke" Giorgi Center

200 Wyman Street

Rockford, Illinois

o. Suburban North Facility

9511 Harrison

Des Plaines, Illinois

p. The following buildings located within the Revenue
Center in Springfield:

1. State Property Control Warehouse

11th & Ash

2. Illinois State Museum Research & Collections
Center

1011 East Ash Street

q. Effingham Regional Office Building

401 Industrial Drive

Effingham, Illinois

r. The Communications Center

120 West Jefferson

Springfield, Illinois

s. Portions or all of the basement and
ground floor of the

State of Illinois Building

160 North LaSalle

Chicago, Illinois 60601

may be leased or subleased to persons, firms, partnerships,
associations, or individuals for terms not to exceed 15 years

when in the judgment of the Director those leases or subleases will be in the best interests of the State.

Portions or all of the commercial space, which includes the sub-basement, storage mezzanine, concourse, and ground and second floors of the

James R. Thompson Center

Bounded by Lake, Clark, Randolph and LaSalle Streets
Chicago, Illinois

may be leased or subleased to persons, firms, partnerships, associations, or individuals for terms not to exceed 15 years subject to renewals when in the judgment of the Director those leases or subleases will be in the best interests of the State.

The Director is authorized to rent portions of the above described facilities to persons, firms, partnerships, associations, or individuals for terms not to exceed 30 days when those leases or subleases will not interfere with State usage of the facility. This authority is meant to supplement and shall not in any way be interpreted to restrict the Director's ability to make portions of the State of Illinois Building and the James R. Thompson Center available for long-term commercial leases or subleases.

Provided however, that all rentals or fees charged to persons, firms, partnerships, associations, or individuals for any lease or use of space in the above described facilities made for terms not to exceed 30 days in length shall be deposited in a special fund in the State treasury to be known as the Special Events Revolving Fund.

Notwithstanding the provisions above, the Department of Children and Family Services and the Department of Human Services (as successor to the Department of Rehabilitation Services and the Department of Mental Health and Developmental Disabilities) shall determine the allocation of space for direct recipient care in their respective

facilities. The Department of Central Management Services shall consult with the affected agency in the allocation and lease of surplus space in these facilities. Potential lease arrangements shall not endanger the direct recipient care responsibilities in these facilities.

(b) To appoint, subject to the Personnel Code, persons to be members of a police and security force. Members of the security force shall be peace officers when performing duties pursuant to this Section and as such shall have all of the powers possessed by policemen in cities and sheriffs, including the power to make arrests on view or issue citations for violations of State statutes or city or county ordinances, except that in counties of more than 1,000,000 population, any powers created by this subsection shall be exercised only (i) when necessary to protect the property, personnel, or interests of the Department or any State agency for whom the Department manages, operates, or maintains property or (ii) when specifically requested by appropriate State or local law enforcement officials, and except that within counties of 1,000,000 or less population, these powers shall be exercised only when necessary to protect the property, personnel, or interests of the State of Illinois and only while on property managed, operated, or maintained by the Department.

Nothing in this subsection shall be construed so as to make it conflict with any provisions of, or rules promulgated under, the Personnel Code.

(c) To charge reasonable fees to all State agencies utilizing facilities operated by the Department for occupancy related fees and charges. All fees collected under this subsection shall be deposited in a special fund in the State treasury known as the Facilities Management Revolving Fund. As used in this subsection, the term "State agencies" means all departments, officers, commissions, institutions, boards,

and bodies politic and corporate of the State.

(d) Provisions of this Section relating to the James R. Thompson Center are subject to the provisions of Section 7.4 of the State Property Control Act.

(Source: P.A. 91-239, eff. 1-1-00; 92-302, eff. 8-9-01.)

Section 10. The State Finance Act is amended by changing Section 25 as follows:

(30 ILCS 105/25) (from Ch. 127, par. 161)

Sec. 25. Fiscal year limitations.

(a) All appropriations shall be available for expenditure for the fiscal year or for a lesser period if the Act making that appropriation so specifies. A deficiency or emergency appropriation shall be available for expenditure only through June 30 of the year when the Act making that appropriation is enacted unless that Act otherwise provides.

(b) Outstanding liabilities as of June 30, payable from appropriations which have otherwise expired, may be paid out of the expiring appropriations during the 2-month period ending at the close of business on August 31. Any service involving professional or artistic skills or any personal services by an employee whose compensation is subject to income tax withholding must be performed as of June 30 of the fiscal year in order to be considered an "outstanding liability as of June 30" that is thereby eligible for payment out of the expiring appropriation.

However, payment of tuition reimbursement claims under Section 14-7.03 or 18-3 of the School Code may be made by the State Board of Education from its appropriations for those respective purposes for any fiscal year, even though the claims reimbursed by the payment may be claims attributable to a prior fiscal year, and payments may be made at the direction of the State Superintendent of Education from the

fund from which the appropriation is made without regard to any fiscal year limitations.

Medical payments may be made by the Department of Veterans' Affairs from its appropriations for those purposes for any fiscal year, without regard to the fact that the medical services being compensated for by such payment may have been rendered in a prior fiscal year.

Medical payments may be made by the Department of Public Aid and child care payments may be made by the Department of Human Services (as successor to the Department of Public Aid) from appropriations for those purposes for any fiscal year, without regard to the fact that the medical or child care services being compensated for by such payment may have been rendered in a prior fiscal year; and payments may be made at the direction of the Department of Central Management Services from the Health Insurance Reserve Fund and the Local Government Health Insurance Reserve Fund without regard to any fiscal year limitations.

Additionally, payments may be made by the Department of Human Services from its appropriations, or any other State agency from its appropriations with the approval of the Department of Human Services, from the Immigration Reform and Control Fund for purposes authorized pursuant to the Immigration Reform and Control Act of 1986, without regard to any fiscal year limitations.

Further, with respect to costs incurred in fiscal years 2002 and 2003 only, payments may be made by the State Treasurer from its appropriations from the Capital Litigation Trust Fund without regard to any fiscal year limitations.

Lease payments may be made by the Department of Central Management Services under the sale and leaseback provisions of Section 7.4 of the State Property Control Act with respect to the James R. Thompson Center and the Elgin Mental Health Center and surrounding land from appropriations for that

purpose without regard to any fiscal year limitations.

Lease payments may be made under the sale and leaseback provisions of Section 7.5 of the State Property Control Act with respect to the Illinois State Toll Highway Authority headquarters building and surrounding land without regard to any fiscal year limitations.

(c) Further, payments may be made by the Department of Public Health and the Department of Human Services (acting as successor to the Department of Public Health under the Department of Human Services Act) from their respective appropriations for grants for medical care to or on behalf of persons suffering from chronic renal disease, persons suffering from hemophilia, rape victims, and premature and high-mortality risk infants and their mothers and for grants for supplemental food supplies provided under the United States Department of Agriculture Women, Infants and Children Nutrition Program, for any fiscal year without regard to the fact that the services being compensated for by such payment may have been rendered in a prior fiscal year.

(d) The Department of Public Health and the Department of Human Services (acting as successor to the Department of Public Health under the Department of Human Services Act) shall each annually submit to the State Comptroller, Senate President, Senate Minority Leader, Speaker of the House, House Minority Leader, and the respective Chairmen and Minority Spokesmen of the Appropriations Committees of the Senate and the House, on or before December 31, a report of fiscal year funds used to pay for services provided in any prior fiscal year. This report shall document by program or service category those expenditures from the most recently completed fiscal year used to pay for services provided in prior fiscal years.

(e) The Department of Public Aid and the Department of Human Services (acting as successor to the Department of

Public Aid) shall each annually submit to the State Comptroller, Senate President, Senate Minority Leader, Speaker of the House, House Minority Leader, the respective Chairmen and Minority Spokesmen of the Appropriations Committees of the Senate and the House, on or before November 30, a report that shall document by program or service category those expenditures from the most recently completed fiscal year used to pay for (i) services provided in prior fiscal years and (ii) services for which claims were received in prior fiscal years.

(f) The Department of Human Services (as successor to the Department of Public Aid) shall annually submit to the State Comptroller, Senate President, Senate Minority Leader, Speaker of the House, House Minority Leader, and the respective Chairmen and Minority Spokesmen of the Appropriations Committees of the Senate and the House, on or before December 31, a report of fiscal year funds used to pay for services (other than medical care) provided in any prior fiscal year. This report shall document by program or service category those expenditures from the most recently completed fiscal year used to pay for services provided in prior fiscal years.

(g) In addition, each annual report required to be submitted by the Department of Public Aid under subsection (e) shall include the following information with respect to the State's Medicaid program:

(1) Explanations of the exact causes of the variance between the previous year's estimated and actual liabilities.

(2) Factors affecting the Department of Public Aid's liabilities, including but not limited to numbers of aid recipients, levels of medical service utilization by aid recipients, and inflation in the cost of medical services.

(3) The results of the Department's efforts to combat fraud and abuse.

(h) As provided in Section 4 of the General Assembly Compensation Act, any utility bill for service provided to a General Assembly member's district office for a period including portions of 2 consecutive fiscal years may be paid from funds appropriated for such expenditure in either fiscal year.

(i) An agency which administers a fund classified by the Comptroller as an internal service fund may issue rules for:

(1) billing user agencies in advance based on estimated charges for goods or services;

(2) issuing credits during the subsequent fiscal year for all user agency payments received during the prior fiscal year which were in excess of the final amounts owed by the user agency for that period; and

(3) issuing catch-up billings to user agencies during the subsequent fiscal year for amounts remaining due when payments received from the user agency during the prior fiscal year were less than the total amount owed for that period.

User agencies are authorized to reimburse internal service funds for catch-up billings by vouchers drawn against their respective appropriations for the fiscal year in which the catch-up billing was issued.

(Source: P.A. 92-885, eff. 1-13-03.)

Section 12. The Illinois Procurement Code is amended by adding Sections 40-45 and 40-46 as follows:

(30 ILCS 500/40-45 new)

Sec. 40-45. Leases exempt from Article. A lease entered into by the State under Section 7.4 of the State Property Control Act is not subject to the provisions of this Article.

(30 ILCS 500/40-46 new)

Sec. 40-46. Leases exempt from Article. A lease entered into under Section 7.5 of the State Property Control Act is not subject to the provisions of this Article.

Section 15. The State Property Control Act is amended by adding Sections 7.4 and 7.5 as follows:

(30 ILCS 605/7.4 new)

Sec. 7.4. James R. Thompson Center; Elgin Mental Health Center.

(a) Notwithstanding any other provision of this Act or any other law to the contrary, the administrator is authorized under this Section to dispose of or mortgage (i) the James R. Thompson Center located in Chicago, Illinois and (ii) the Elgin Mental Health Center and surrounding land located at 750 S. State Street, Elgin, Illinois in any of the following ways:

(1) The administrator may sell the property as provided in subsection (b).

(2) The administrator may sell the property as provided in subsection (b), and the administrator may immediately thereafter enter into a leaseback or other agreement that directly or indirectly gives the State a right to use, control, and possess the property. Notwithstanding any other provision of law, a lease entered into by the administrator under this subdivision (a)(2) may last for any period not exceeding 99 years.

(3) The administrator may enter into a mortgage agreement, using the property as collateral, to receive a loan or a line of credit based on the equity available in the property. Any loan obtained or line of credit established under this subdivision (a)(3) must require repayment in full in 20 years or less.

(b) The administrator shall obtain 3 appraisals of the real property transferred under subdivision (a)(1) or (a)(2) of this Section, one of which shall be performed by an appraiser residing in the county in which the real property is located. The average of these 3 appraisals, plus the costs of obtaining the appraisals, shall represent the fair market value of the real property. No property may be conveyed under subdivision (a)(1) or (a)(2) of this Section by the administrator for less than the fair market value. The administrator may sell the real property by public auction following notice of the sale by publication on 3 separate days not less than 15 nor more than 30 days prior to the sale in a daily newspaper having general circulation in the county in which the real property is located. If no acceptable offers for the real property are received, the administrator may have new appraisals of the property made. The administrator shall have all power necessary to convey real property under subdivision (a)(1) or (a)(2) of this Section.

The administrator shall have authority to order such surveys, abstracts of title, or commitments for title insurance as may, in his or her reasonable discretion, be deemed necessary to demonstrate to prospective purchasers, bidders, or mortgagees good and marketable title in any property offered for sale or mortgage under this Section. Unless otherwise specifically authorized by the General Assembly, all conveyances of property made by the administrator under subdivision (a)(1) or (a)(2) of this Section shall be by quit claim deed.

(c) All moneys received from the sale or mortgage of real property under this Section shall be deposited into the General Revenue Fund.

(d) The administrator is authorized to enter into any agreements and execute any documents necessary to exercise the authority granted by this Section.

(e) Any agreement to dispose of or mortgage (i) the James R. Thompson Center located in Chicago, Illinois or (ii) the Elgin Mental Health Center and surrounding land located at 750 S. State Street, Elgin, Illinois pursuant to the authority granted by this Section must be entered into no later than one year after the effective date of this amendatory Act of the 93rd General Assembly.

(30 ILCS 605/7.5 new)

Sec. 7.5. Illinois State Toll Highway Authority headquarters.

(a) Notwithstanding any other provision of this Act or any other law to the contrary, the Illinois State Toll Highway Authority, as set forth in items (1) through (3), is authorized under this Section to dispose of or mortgage the Illinois State Toll Highway Authority headquarters building and surrounding land, located at 2700 Ogden Avenue, Downers Grove, Illinois in any of the following ways:

(1) The Authority may sell the property as provided in subsection (b).

(2) The Authority may sell the property as provided in subsection (b) and may immediately thereafter enter into a leaseback or other agreement that directly or indirectly gives the State or the Authority a right to use, control, and possess the property. Notwithstanding any other provision of law, a lease entered into under this subdivision (a)(2) may last for any period not exceeding 99 years.

(3) The Authority may enter into a mortgage agreement, using the property as collateral, to receive a loan or a line of credit based on the equity available in the property. Any loan obtained or line of credit established under this subdivision (a)(3) must require repayment in full in 20 years or less.

(b) The Illinois State Toll Highway Authority shall obtain 3 appraisals of the real property transferred under subdivision (a)(1) or (a)(2) of this Section, one of which shall be performed by an appraiser residing in the county in which the real property is located. The average of these 3 appraisals, plus the costs of obtaining the appraisals, shall represent the fair market value of the real property. No property may be conveyed under subdivision (a)(1) or (a)(2) of this Section by the Authority for less than the fair market value. The Authority may sell the real property by public auction following notice of the sale by publication on 3 separate days not less than 15 nor more than 30 days prior to the sale in a daily newspaper having general circulation in the county in which the real property is located. If no acceptable offers for the real property are received, the Authority may have new appraisals of the property made. The Authority shall have all power necessary to convey real property under subdivision (a)(1) or (a)(2) of this Section.

The Illinois State Toll Highway Authority shall have authority to order such surveys, abstracts of title, or commitments for title insurance as may, in his or her reasonable discretion, be deemed necessary to demonstrate to prospective purchasers, bidders, or mortgagees good and marketable title in any property offered for sale or mortgage under this Section. Unless otherwise specifically authorized by the General Assembly, all conveyances of property made by the Authority under subdivision (a)(1) or (a)(2) of this Section shall be by quit claim deed.

(c) All moneys received from the sale or mortgage of real property under this Section shall be deposited into the General Revenue Fund.

(d) The Authority is authorized to enter into any agreements and execute any documents necessary to exercise the authority granted by this Section.

(e) Any agreement to dispose of or mortgage the Illinois State Toll Highway Authority headquarters building and surrounding land located at 2700 Ogden Avenue, Downers Grove, Illinois pursuant to the authority granted by this Section must be entered into no later than one year after the effective date of this amendatory Act of the 93rd General Assembly.

(f) The provisions of this Section apply and control notwithstanding any other provision of this Act or any other law to the contrary.

Section 20. The Property Tax Code is amended by changing Sections 9-195 and 15-55 and adding Section 15-185 as follows:

(35 ILCS 200/9-195)

Sec. 9-195. Leasing of exempt property.

(a) Except as provided in Sections 15-35, 15-55, 15-60, 15-100, and 15-103, and 15-185, when property which is exempt from taxation is leased to another whose property is not exempt, and the leasing of which does not make the property taxable, the leasehold estate and the appurtenances shall be listed as the property of the lessee thereof, or his or her assignee. Taxes on that property shall be collected in the same manner as on property that is not exempt, and the lessee shall be liable for those taxes. However, no tax lien shall attach to the exempt real estate. The changes made by this amendatory Act of 1997 and by this amendatory Act of the 91st General Assembly are declaratory of existing law and shall not be construed as a new enactment. The changes made by Public Acts 88-221 and 88-420 that are incorporated into this Section by this amendatory Act of 1993 are declarative of existing law and are not a new enactment.

(b) The provisions of this Section regarding taxation of

leasehold interests in exempt property do not apply to any leasehold interest created pursuant to any transaction described in subsection (e) of Section 15-35, subsection (c-5) of Section 15-60, subsection (b) of Section 15-100, or Section 15-103, or Section 15-185.

(Source: P.A. 91-513, eff. 8-13-99; 92-844, eff. 8-23-02; 92-846, eff. 8-23-02.)

(35 ILCS 200/15-55)

Sec. 15-55. State property.

(a) All property belonging to the State of Illinois is exempt. However, the State agency holding title shall file the certificate of ownership and use required by Section 15-10, together with a copy of any written lease or agreement, in effect on March 30 of the assessment year, concerning parcels of 1 acre or more, or an explanation of the terms of any oral agreement under which the property is leased, subleased or rented.

The leased property shall be assessed to the lessee and the taxes thereon extended and billed to the lessee, and collected in the same manner as for property which is not exempt. The lessee shall be liable for the taxes and no lien shall attach to the property of the State.

For the purposes of this Section, the word "leases" includes licenses, franchises, operating agreements and other arrangements under which private individuals, associations or corporations are granted the right to use property of the Illinois State Toll Highway Authority and includes all property of the Authority used by others without regard to the size of the leased parcel.

(b) However, all property of every kind belonging to the State of Illinois, which is or may hereafter be leased to the Illinois Prairie Path Corporation, shall be exempt from all assessments, taxation or collection, despite the making of

any such lease, if it is used for:

(1) ~~(a)~~ conservation, nature trail or any other charitable, scientific, educational or recreational purposes with public benefit, including the preserving and aiding in the preservation of natural areas, objects, flora, fauna or biotic communities;

(2) ~~(b)~~ the establishment of footpaths, trails and other protected areas;

(3) ~~(c)~~ the conservation of the proper use of natural resources or the promotion of the study of plant and animal communities and of other phases of ecology, natural history and conservation;

(4) ~~(d)~~ the promotion of education in the fields of nature, preservation and conservation; or

(5) ~~(e)~~ similar public recreational activities conducted by the Illinois Prairie Path Corporation.

No lien shall attach to the property of the State. No tax liability shall become the obligation of or be enforceable against Illinois Prairie Path Corporation.

(c) If the State sells the James R. Thompson Center or the Elgin Mental Health Center and surrounding land located at 750 S. State Street, Elgin, Illinois, as provided in subdivision (a)(2) of Section 7.4 of the State Property Control Act, to another entity whose property is not exempt and immediately thereafter enters into a leaseback or other agreement that directly or indirectly gives the State a right to use, control, and possess the property, that portion of the property leased and occupied exclusively by the State shall remain exempt under this Section. For the property to remain exempt under this subsection (c), the State must retain an option to purchase the property at a future date or, within the limitations period for reversioners, the property must revert back to the State.

If the property has been conveyed as described in this

subsection (c), the property is no longer exempt pursuant to this Section as of the date when:

(1) the right of the State to use, control, and possess the property has been terminated; or

(2) the State no longer has an option to purchase or otherwise acquire the property and there is no provision for a reverter of the property to the State within the limitations period for reverters.

Pursuant to Sections 15-15 and 15-20 of this Code, the State shall notify the chief county assessment officer of any transaction under this subsection (c). The chief county assessment officer shall determine initial and continuing compliance with the requirements of this Section for tax exemption. Failure to notify the chief county assessment officer of a transaction under this subsection (c) or to otherwise comply with the requirements of Sections 15-15 and 15-20 of this Code shall, in the discretion of the chief county assessment officer, constitute cause to terminate the exemption, notwithstanding any other provision of this Code.

(c-1) If the Illinois State Toll Highway Authority sells the Illinois State Toll Highway Authority headquarters building and surrounding land, located at 2700 Ogden Avenue, Downers Grove, Illinois as provided in subdivision (a)(2) of Section 7.5 of the State Property Control Act, to another entity whose property is not exempt and immediately thereafter enters into a leaseback or other agreement that directly or indirectly gives the State or the Illinois State Toll Highway Authority a right to use, control, and possess the property, that portion of the property leased and occupied exclusively by the State or the Authority shall remain exempt under this Section. For the property to remain exempt under this subsection (c), the Authority must retain an option to purchase the property at a future date or, within the limitations period for reverters, the property

must revert back to the Authority.

If the property has been conveyed as described in this subsection (c), the property is no longer exempt pursuant to this Section as of the date when:

(1) the right of the State or the Authority to use, control, and possess the property has been terminated; or

(2) the Authority no longer has an option to purchase or otherwise acquire the property and there is no provision for a reverter of the property to the Authority within the limitations period for reverters.

Pursuant to Sections 15-15 and 15-20 of this Code, the Authority shall notify the chief county assessment officer of any transaction under this subsection (c). The chief county assessment officer shall determine initial and continuing compliance with the requirements of this Section for tax exemption. Failure to notify the chief county assessment officer of a transaction under this subsection (c) or to otherwise comply with the requirements of Sections 15-15 and 15-20 of this Code shall, in the discretion of the chief county assessment officer, constitute cause to terminate the exemption, notwithstanding any other provision of this Code.

(d) Public Act 81-1026 applies to all leases or agreements entered into or renewed on or after September 24, 1979.

(Source: P.A. 86-413; 88-455.)

(35 ILCS 200/15-185 new)

Sec. 15-185. Leaseback exemption. Notwithstanding anything in this Code to the contrary, all property owned by a municipality with a population of over 500,000 inhabitants, or a unit of local government whose jurisdiction includes territory located in whole or in part within a municipality with a population of over 500,000 inhabitants, shall remain exempt from taxation and any leasehold interest in that

property shall not be subject to taxation under Section 9-195 if, for the purpose of obtaining financing, the property is directly or indirectly leased, sold, or otherwise transferred to another entity whose property is not exempt and immediately thereafter is the subject of a leaseback or other agreement that directly or indirectly gives the municipality or unit of local government (i) a right to use, control, and possess the property or (ii) a right to require the other entity, or the other entity's designee or assignee, to use the property in the performance of services for the municipality or unit of local government. The property shall no longer be exempt under this Section as of the date when the right of the municipality or unit of local government to use, control, and possess the property or to require the performance of services is terminated and the municipality or unit of local government no longer has any option to purchase or otherwise reacquire the interest in the property which was transferred by the municipality or unit of local government.

For purposes of this Section, "municipality" means a municipality as defined in Section 1-1-2 of the Illinois Municipal Code, and "unit of local government" means a unit of local government as defined in Article VII, Section 1 of the Constitution of the State of Illinois. The provisions of this Section supersede and control over any conflicting provisions of this Code.

Section 25. The Liquor Control Act of 1934 is amended by changing Section 6-15 as follows:

(235 ILCS 5/6-15) (from Ch. 43, par. 130)

Sec. 6-15. No alcoholic liquors shall be sold or delivered in any building belonging to or under the control of the State or any political subdivision thereof except as provided in this Act. The corporate authorities of any city,

village, incorporated town or township may provide by ordinance, however, that alcoholic liquor may be sold or delivered in any specifically designated building belonging to or under the control of the municipality or township, or in any building located on land under the control of the municipality; provided that such township complies with all applicable local ordinances in any incorporated area of the township. Alcoholic liquors may be delivered to and sold at any airport belonging to or under the control of a municipality of more than 25,000 inhabitants, or in any building or on any golf course owned by a park district organized under the Park District Code, subject to the approval of the governing board of the district, or in any building or on any golf course owned by a forest preserve district organized under the Downstate Forest Preserve District Act, subject to the approval of the governing board of the district, or on the grounds within 500 feet of any building owned by a forest preserve district organized under the Downstate Forest Preserve District Act during times when food is dispensed for consumption within 500 feet of the building from which the food is dispensed, subject to the approval of the governing board of the district, or in a building owned by a Local Mass Transit District organized under the Local Mass Transit District Act, subject to the approval of the governing Board of the District, or in Bicentennial Park, or on the premises of the City of Mendota Lake Park located adjacent to Route 51 in Mendota, Illinois, or on the premises of Camden Park in Milan, Illinois, or in the community center owned by the City of Loves Park that is located at 1000 River Park Drive in Loves Park, Illinois, or, in connection with the operation of an established food serving facility during times when food is dispensed for consumption on the premises, and at the following aquarium and museums located in public parks: Art Institute of

Chicago, Chicago Academy of Sciences, Chicago Historical Society, Field Museum of Natural History, Museum of Science and Industry, DuSable Museum of African American History, John G. Shedd Aquarium and Adler Planetarium, or at Lakeview Museum of Arts and Sciences in Peoria, or in connection with the operation of the facilities of the Chicago Zoological Society or the Chicago Horticultural Society on land owned by the Forest Preserve District of Cook County, or on any land used for a golf course or for recreational purposes owned by the Forest Preserve District of Cook County, subject to the control of the Forest Preserve District Board of Commissioners and applicable local law, provided that dram shop liability insurance is provided at maximum coverage limits so as to hold the District harmless from all financial loss, damage, and harm, or in any building located on land owned by the Chicago Park District if approved by the Park District Commissioners, or on any land used for a golf course or for recreational purposes and owned by the Illinois International Port District if approved by the District's governing board, or at any airport, golf course, faculty center, or facility in which conference and convention type activities take place belonging to or under control of any State university or public community college district, provided that with respect to a facility for conference and convention type activities alcoholic liquors shall be limited to the use of the convention or conference participants or participants in cultural, political or educational activities held in such facilities, and provided further that the faculty or staff of the State university or a public community college district, or members of an organization of students, alumni, faculty or staff of the State university or a public community college district are active participants in the conference or convention, or in Memorial Stadium on the campus of the University of Illinois at Urbana-Champaign

during games in which the Chicago Bears professional football team is playing in that stadium during the renovation of Soldier Field, not more than one and a half hours before the start of the game and not after the end of the third quarter of the game, or by a catering establishment which has rented facilities from a board of trustees of a public community college district, or, if approved by the District board, on land owned by the Metropolitan Sanitary District of Greater Chicago and leased to others for a term of at least 20 years. Nothing in this Section precludes the sale or delivery of alcoholic liquor in the form of original packaged goods in premises located at 500 S. Racine in Chicago belonging to the University of Illinois and used primarily as a grocery store by a commercial tenant during the term of a lease that predates the University's acquisition of the premises; but the University shall have no power or authority to renew, transfer, or extend the lease with terms allowing the sale of alcoholic liquor; and the sale of alcoholic liquor shall be subject to all local laws and regulations. After the acquisition by Winnebago County of the property located at 404 Elm Street in Rockford, a commercial tenant who sold alcoholic liquor at retail on a portion of the property under a valid license at the time of the acquisition may continue to do so for so long as the tenant and the County may agree under existing or future leases, subject to all local laws and regulations regarding the sale of alcoholic liquor. Each facility shall provide dram shop liability in maximum insurance coverage limits so as to save harmless the State, municipality, State university, airport, golf course, faculty center, facility in which conference and convention type activities take place, park district, Forest Preserve District, public community college district, aquarium, museum, or sanitary district from all financial loss, damage or harm. Alcoholic liquors may be sold at retail in buildings

of golf courses owned by municipalities in connection with the operation of an established food serving facility during times when food is dispensed for consumption upon the premises. Alcoholic liquors may be delivered to and sold at retail in any building owned by a fire protection district organized under the Fire Protection District Act, provided that such delivery and sale is approved by the board of trustees of the district, and provided further that such delivery and sale is limited to fundraising events and to a maximum of 6 events per year.

Alcoholic liquor may be delivered to and sold at retail in the Dorchester Senior Business Center owned by the Village of Dolton if the alcoholic liquor is sold or dispensed only in connection with organized functions for which the planned attendance is 20 or more persons, and if the person or facility selling or dispensing the alcoholic liquor has provided dram shop liability insurance in maximum limits so as to hold harmless the Village of Dolton and the State from all financial loss, damage and harm.

Alcoholic liquors may be delivered to and sold at retail in any building used as an Illinois State Armory provided:

(i) the Adjutant General's written consent to the issuance of a license to sell alcoholic liquor in such building is filed with the Commission;

(ii) the alcoholic liquor is sold or dispensed only in connection with organized functions held on special occasions;

(iii) the organized function is one for which the planned attendance is 25 or more persons; and

(iv) the facility selling or dispensing the alcoholic liquors has provided dram shop liability insurance in maximum limits so as to save harmless the facility and the State from all financial loss, damage or harm.

Alcoholic liquors may be delivered to and sold at retail in the Chicago Civic Center, provided that:

(i) the written consent of the Public Building Commission which administers the Chicago Civic Center is filed with the Commission;

(ii) the alcoholic liquor is sold or dispensed only in connection with organized functions held on special occasions;

(iii) the organized function is one for which the planned attendance is 25 or more persons;

(iv) the facility selling or dispensing the alcoholic liquors has provided dram shop liability insurance in maximum limits so as to hold harmless the Civic Center, the City of Chicago and the State from all financial loss, damage or harm; and

(v) all applicable local ordinances are complied with.

Alcoholic liquors may be delivered or sold in any building belonging to or under the control of any city, village or incorporated town where more than 75% of the physical properties of the building is used for commercial or recreational purposes, and the building is located upon a pier extending into or over the waters of a navigable lake or stream or on the shore of a navigable lake or stream. Alcoholic liquor may be sold in buildings under the control of the Department of Natural Resources when written consent to the issuance of a license to sell alcoholic liquor in such buildings is filed with the Commission by the Department of Natural Resources. Notwithstanding any other provision of this Act, alcoholic liquor sold by a United States Army Corps of Engineers or Department of Natural Resources concessionaire who was operating on June 1, 1991 for on-premises consumption only is not subject to the provisions of Articles IV and IX. Beer and wine may be sold on the

premises of the Joliet Park District Stadium owned by the Joliet Park District when written consent to the issuance of a license to sell beer and wine in such premises is filed with the local liquor commissioner by the Joliet Park District. Beer and wine may be sold in buildings on the grounds of State veterans' homes when written consent to the issuance of a license to sell beer and wine in such buildings is filed with the Commission by the Department of Veterans' Affairs, and the facility shall provide dram shop liability in maximum insurance coverage limits so as to save the facility harmless from all financial loss, damage or harm. Such liquors may be delivered to and sold at any property owned or held under lease by a Metropolitan Pier and Exposition Authority or Metropolitan Exposition and Auditorium Authority.

Beer and wine may be sold and dispensed at professional sporting events and at professional concerts and other entertainment events conducted on premises owned by the Forest Preserve District of Kane County, subject to the control of the District Commissioners and applicable local law, provided that dram shop liability insurance is provided at maximum coverage limits so as to hold the District harmless from all financial loss, damage and harm.

Nothing in this Section shall preclude the sale or delivery of beer and wine at a State or county fair or the sale or delivery of beer or wine at a city fair in any otherwise lawful manner.

Alcoholic liquors may be sold at retail in buildings in State parks under the control of the Department of Natural Resources, provided:

- a. the State park has overnight lodging facilities with some restaurant facilities or, not having overnight lodging facilities, has restaurant facilities which serve complete luncheon and dinner or supper meals,

b. consent to the issuance of a license to sell alcoholic liquors in the buildings has been filed with the commission by the Department of Natural Resources, and

c. the alcoholic liquors are sold by the State park lodge or restaurant concessionaire only during the hours from 11 o'clock a.m. until 12 o'clock midnight. Notwithstanding any other provision of this Act, alcoholic liquor sold by the State park or restaurant concessionaire is not subject to the provisions of Articles IV and IX.

Alcoholic liquors may be sold at retail in buildings on properties under the control of the Historic Sites and Preservation Division of the Historic Preservation Agency or the Abraham Lincoln Presidential Library and Museum provided:

a. the property has overnight lodging facilities with some restaurant facilities or, not having overnight lodging facilities, has restaurant facilities which serve complete luncheon and dinner or supper meals,

b. consent to the issuance of a license to sell alcoholic liquors in the buildings has been filed with the commission by the Historic Sites and Preservation Division of the Historic Preservation Agency or the Abraham Lincoln Presidential Library and Museum, and

c. the alcoholic liquors are sold by the lodge or restaurant concessionaire only during the hours from 11 o'clock a.m. until 12 o'clock midnight.

The sale of alcoholic liquors pursuant to this Section does not authorize the establishment and operation of facilities commonly called taverns, saloons, bars, cocktail lounges, and the like except as a part of lodge and restaurant facilities in State parks or golf courses owned by Forest Preserve Districts with a population of less than 3,000,000 or municipalities or park districts.

Alcoholic liquors may be sold at retail in the Springfield Administration Building of the Department of Transportation and the Illinois State Armory in Springfield; provided, that the controlling government authority may consent to such sales only if

- a. the request is from a not-for-profit organization;
- b. such sales would not impede normal operations of the departments involved;
- c. the not-for-profit organization provides dram shop liability in maximum insurance coverage limits and agrees to defend, save harmless and indemnify the State of Illinois from all financial loss, damage or harm;
- d. no such sale shall be made during normal working hours of the State of Illinois; and
- e. the consent is in writing.

Alcoholic liquors may be sold at retail in buildings in recreational areas of river conservancy districts under the control of, or leased from, the river conservancy districts. Such sales are subject to reasonable local regulations as provided in Article IV; however, no such regulations may prohibit or substantially impair the sale of alcoholic liquors on Sundays or Holidays.

Alcoholic liquors may be provided in long term care facilities owned or operated by a county under Division 5-21 or 5-22 of the Counties Code, when approved by the facility operator and not in conflict with the regulations of the Illinois Department of Public Health, to residents of the facility who have had their consumption of the alcoholic liquors provided approved in writing by a physician licensed to practice medicine in all its branches.

Alcoholic liquors may be delivered to and dispensed in State housing assigned to employees of the Department of Corrections. No person shall furnish or allow to be furnished

any alcoholic liquors to any prisoner confined in any jail, reformatory, prison or house of correction except upon a physician's prescription for medicinal purposes.

Alcoholic liquors may be sold at retail or dispensed at the Willard Ice Building in Springfield, at the State Library in Springfield, and at Illinois State Museum facilities by (1) an agency of the State, whether legislative, judicial or executive, provided that such agency first obtains written permission to sell or dispense alcoholic liquors from the controlling government authority, or by (2) a not-for-profit organization, provided that such organization:

a. Obtains written consent from the controlling government authority;

b. Sells or dispenses the alcoholic liquors in a manner that does not impair normal operations of State offices located in the building;

c. Sells or dispenses alcoholic liquors only in connection with an official activity in the building;

d. Provides, or its catering service provides, dram shop liability insurance in maximum coverage limits and in which the carrier agrees to defend, save harmless and indemnify the State of Illinois from all financial loss, damage or harm arising out of the selling or dispensing of alcoholic liquors.

Nothing in this Act shall prevent a not-for-profit organization or agency of the State from employing the services of a catering establishment for the selling or dispensing of alcoholic liquors at authorized functions.

The controlling government authority for the Willard Ice Building in Springfield shall be the Director of the Department of Revenue. The controlling government authority for Illinois State Museum facilities shall be the Director of the Illinois State Museum. The controlling government authority for the State Library in Springfield shall be the

Secretary of State.

Alcoholic liquors may be delivered to and sold at retail or dispensed at any facility, property or building under the jurisdiction of the Historic Sites and Preservation Division of the Historic Preservation Agency or the Abraham Lincoln Presidential Library and Museum where the delivery, sale or dispensing is by (1) an agency of the State, whether legislative, judicial or executive, provided that such agency first obtains written permission to sell or dispense alcoholic liquors from a controlling government authority, or by (2) a not-for-profit organization provided that such organization:

a. Obtains written consent from the controlling government authority;

b. Sells or dispenses the alcoholic liquors in a manner that does not impair normal workings of State offices or operations located at the facility, property or building;

c. Sells or dispenses alcoholic liquors only in connection with an official activity of the not-for-profit organization in the facility, property or building;

d. Provides, or its catering service provides, dram shop liability insurance in maximum coverage limits and in which the carrier agrees to defend, save harmless and indemnify the State of Illinois from all financial loss, damage or harm arising out of the selling or dispensing of alcoholic liquors.

The controlling government authority for the Historic Sites and Preservation Division of the Historic Preservation Agency shall be the Director of the Historic Sites and Preservation, and the controlling government authority for the Abraham Lincoln Presidential Library and Museum shall be the Director of the Abraham Lincoln Presidential Library and

Museum.

Alcoholic liquors may be sold at retail or dispensed at the James R. Thompson Center in Chicago, subject to the provisions of Section 7.4 of the State Property Control Act, and 222 South College Street in Springfield, Illinois by (1) a commercial tenant or subtenant conducting business on the premises under a lease or sublease made pursuant to Section 405-315 of the Department of Central Management Services Law (20 ILCS 405/405-315), provided that such tenant or subtenant who sells or dispenses alcoholic liquors shall procure and maintain dram shop liability insurance in maximum coverage limits and in which the carrier agrees to defend, indemnify and save harmless the State of Illinois from all financial loss, damage or harm arising out of the sale or dispensing of alcoholic liquors, or by (2) an agency of the State, whether legislative, judicial or executive, provided that such agency first obtains written permission to sell or dispense alcoholic liquors from the Director of Central Management Services, or by (3) a not-for-profit organization, provided that such organization:

a. Obtains written consent from the Department of Central Management Services;

b. Sells or dispenses the alcoholic liquors in a manner that does not impair normal operations of State offices located in the building;

c. Sells or dispenses alcoholic liquors only in connection with an official activity in the building;

d. Provides, or its catering service provides, dram shop liability insurance in maximum coverage limits and in which the carrier agrees to defend, save harmless and indemnify the State of Illinois from all financial loss, damage or harm arising out of the selling or dispensing of alcoholic liquors.

Nothing in this Act shall prevent a not-for-profit

organization or agency of the State from employing the services of a catering establishment for the selling or dispensing of alcoholic liquors at functions authorized by the Director of Central Management Services.

Alcoholic liquors may be sold or delivered at any facility owned by the Illinois Sports Facilities Authority provided that dram shop liability insurance has been made available in a form, with such coverage and in such amounts as the Authority reasonably determines is necessary.

Alcoholic liquors may be sold at retail or dispensed at the Rockford State Office Building by (1) an agency of the State, whether legislative, judicial or executive, provided that such agency first obtains written permission to sell or dispense alcoholic liquors from the Department of Central Management Services, or by (2) a not-for-profit organization, provided that such organization:

- a. Obtains written consent from the Department of Central Management Services;
- b. Sells or dispenses the alcoholic liquors in a manner that does not impair normal operations of State offices located in the building;
- c. Sells or dispenses alcoholic liquors only in connection with an official activity in the building;
- d. Provides, or its catering service provides, dram shop liability insurance in maximum coverage limits and in which the carrier agrees to defend, save harmless and indemnify the State of Illinois from all financial loss, damage or harm arising out of the selling or dispensing of alcoholic liquors.

Nothing in this Act shall prevent a not-for-profit organization or agency of the State from employing the services of a catering establishment for the selling or dispensing of alcoholic liquors at functions authorized by the Department of Central Management Services.

Alcoholic liquors may be sold or delivered in a building that is owned by McLean County, situated on land owned by the county in the City of Bloomington, and used by the McLean County Historical Society if the sale or delivery is approved by an ordinance adopted by the county board, and the municipality in which the building is located may not prohibit that sale or delivery, notwithstanding any other provision of this Section. The regulation of the sale and delivery of alcoholic liquor in a building that is owned by McLean County, situated on land owned by the county, and used by the McLean County Historical Society as provided in this paragraph is an exclusive power and function of the State and is a denial and limitation under Article VII, Section 6, subsection (h) of the Illinois Constitution of the power of a home rule municipality to regulate that sale and delivery.

Alcoholic liquors may be sold or delivered in any building situated on land held in trust for any school district organized under Article 34 of the School Code, if the building is not used for school purposes and if the sale or delivery is approved by the board of education.

Alcoholic liquors may be sold or delivered in buildings owned by the Community Building Complex Committee of Boone County, Illinois if the person or facility selling or dispensing the alcoholic liquor has provided dram shop liability insurance with coverage and in amounts that the Committee reasonably determines are necessary.

Alcoholic liquors may be sold or delivered in the building located at 1200 Centerville Avenue in Belleville, Illinois and occupied by either the Belleville Area Special Education District or the Belleville Area Special Services Cooperative.

(Source: P.A. 91-239, eff. 1-1-00; 91-922, eff. 7-7-00; 92-512, eff. 1-1-02; 92-583, eff. 6-26-02; 92-600, eff. 7-1-02; revised 9-3-02.)

Section 30. The Toll Highway Act is amended by changing Section 8 as follows:

(605 ILCS 10/8) (from Ch. 121, par. 100-8)

Sec. 8. The Authority shall have the power:

(a) To acquire, own, use, hire, lease, operate and dispose of personal property, real property (except with respect to the headquarters building and surrounding land of the Authority located at 2700 Ogden Avenue, Downers Grove, Illinois, which may be sold or mortgaged only as provided in Section 7.5 of the State Property Control Act to the extent that such property is subject to the State Property Control Act at the time of the proposed sale), any interest therein, including rights-of-way, franchises and easements.

(b) To enter into all contracts and agreements necessary or incidental to the performance of its powers under this Act. All employment contracts let under this Act shall be in conformity with the applicable provisions of "An Act regulating wages of laborers, mechanics and other workers employed under contracts for public works," approved June 26, 1941, as amended.

(c) To employ and discharge, without regard to the requirements of any civil service or personnel act, such administrative, engineering, traffic, architectural, construction, and financial experts, and inspectors, and such other employees, as are necessary in the Authority's judgment to carry out the purposes of this Act; and to establish and administer standards of classification of all of such persons with respect to their compensation, duties, performance, and tenure; and to enter into contracts of employment with such persons for such periods and on such terms as the Authority deems desirable.

(d) To appoint by and with the consent of the Attorney General, assistant attorneys for such Authority, which said

assistant attorneys shall be under the control, direction and supervision of the Attorney General and shall serve at his pleasure.

(e) To retain special counsel, subject to the approval of the Attorney General, as needed from time to time, and fix their compensation, provided however, such special counsel shall be subject to the control, direction and supervision of the Attorney General and shall serve at his pleasure.

(f) To acquire, construct, relocate, operate, regulate and maintain a system of toll highways through and within the State of Illinois. However, the Authority does not have the power to acquire, operate, regulate or maintain any system of toll highways or toll bridges or portions of them (including but not limited to any system organized pursuant to Division 108 of Article 11 of the Illinois Municipal Code) in the event either of the following conditions exists at the time the proposed acquisition, operation, regulation or maintenance of such system is to become effective:

(1) the principal or interest on bonds or other instruments evidencing indebtedness of the system are in default; or

(2) the principal or interest on bonds or other instruments evidencing indebtedness of the system have been in default at any time during the 5 year period prior to the proposed acquisition.

To facilitate such construction, operation and maintenance and subject to the approval of the Division of Highways of the Department of Transportation, the Authority shall have the full use and advantage of the engineering staff and facilities of the Department.

(Source: P.A. 83-1258.)

Section 90. The State Mandates Act is amended by adding Section 8.27 as follows:

(30 ILCS 805/8.27 new)

Sec. 8.27. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 93rd General Assembly.

Section 99. Effective date. This Act takes effect upon becoming law.